

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:)	
)	Case No. 18bk24763
ROSEBUD FARM, INC.)	
)	Chapter 7
Debtor.)	
_____)		Honorable Timothy A. Barnes

FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER
AWARDING TO MOGLIA ADVISORS, FINANCIAL ADVISORS FOR CHAPTER 7
TRUSTEE, FOR ALLOWANCE AND PAYMENT OF FIRST INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES

TOTAL FEES REQUESTED:	\$ 32,190.00	TOTAL COSTS REQUESTED:	\$ 188.22
TOTAL FEES REDUCED:	\$ 6,370.00	TOTAL COSTS REDUCED:	\$ 188.22
TOTAL FEES ALLOWED:	\$ 25,820.00	TOTAL COSTS ALLOWED:	\$ 0.00

TOTAL FEES AND COSTS ALLOWED: \$ 25,820.00

The attached time and expense entries have been highlighted to reflect disallowance in whole or in part. The basis for each disallowance is reflected by numerical notations that appear on the left of each highlighted entry. The numerical notations correspond to the enumerated paragraphs below.

(1) Unauthorized Work – TOTAL of disallowed amounts \$ 500.00

The Court denies the allowance of compensation for work done prior to the authorization of retention. *In re Spanjer Bros., Inc.*, 203 B.R. 85, 94 (Bankr. N.D. Ill. 1996) (Squires, J.) (“The Court will not retrospectively allow any of the time expended prior to the time of the authorized retention because to do so would be to reward any delay or tardiness in promptly seeking retention. To allow bootstrapping of objected to fees paid at the expense of unsecured creditors undermines the policy in favor of prompt application for retention by professionals who will be seeking compensation from the bankruptcy estate. See generally 11 U.S.C. § 327 (prerequisite to the allowance of any fees or expenses that professional be employed); *In re Peoples Sav. Corp.*, 114 B.R. 151, 154 (Bankr. N.D. Ill. 1990) (“In the absence of a court order approving the Applicant’s employment, there is no statutory basis upon which the Court can make a fee award.”)).

In this case, the Applicant sought retention only retroactive to November 1, 2018 and the disallowed amounts represent charges prior to the approved effective retention. This reduction is final and will not be available for challenge on a final application.

(2) Lumping – TOTAL of disallowed amounts (10% of affected entries): \$ 120.00

The Court may impose a ten percent penalty on entries that appear to be “lumping.” The Court will reduce each entry marked as such per the penalty. *In re Wildman*, 72 B.R. 700, 709 (Bankr.

N.D. Ill. 1987) (Schmetterer, J.) (“Applicants may not circumvent the minimum time requirement or any of the requirements of detail by “lumping” a bunch of activities into a single entry. [citation omitted]. Each type of service should be listed with the corresponding specific time allotment.”).

- (3) Trustee Work Can Not Be Compensated As Professional Services – TOTAL of disallowed amounts: \$ 2,750.00

“The Trustee cannot effectively expand the maximum limits of Section 326(a) by hiring other people to perform his duties for him, whether they are paralegals, attorneys, accountants or other professional persons, and utilize the potentially unlimited scope of Section 330 as a basis for award of reasonable compensation.” *Boldt v. United States Trustee (In re Jenkins)*, 130 F.3d 1335, 1341 (9th Cir. 1997) (quoting *In re Prairie Cent. Ry. Co.*, 87 B.R. 952, 959 (Bankr. N.D. Ill. 1988) (Squires, J.)).

As noted by the court, the Trustee cannot employ himself in any other capacity other than attorney or accountant according to 11 U.S.C. § 327(d).

Additionally, where the Trustee is working with another professional and both are charging for the time, the Trustee is deemed to have done so in his capacity as a Trustee working with a client.

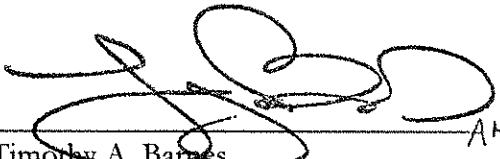
- (4) Unreasonable Travel Rate – TOTAL of disallowed amounts (50% of affected entries): \$ 3,000.00

The Court denies the allowance in part of compensation for travel time or entries that are lumped with travel time, where compensation at the normal hourly rate (not the customary one-half discounted rate) is sought without explanation. *In re Planter*, Case No. 08 B 16883, 2009 WL 1393691 (Bankr. N.D. Ill. May 18, 2009) (Barbosa, J.) (“this Court has routinely held that time spent traveling to and from a location typically shall be compensated at one-half of the attorneys’ or other professionals’ hourly rate.”); *In re McKeeman*, 236 B.R. 667 (B.A.P. 8th Cir.1999); *In re Spanjer Bros., Inc.*, 191 B.R. 738, 755 (Bankr. N.D. Ill. 1996) (Squires, J.).

- (5) Reimbursement Limited to Actual, Necessary Expenses – TOTAL of disallowed amounts: \$ 188.22

The Court denies the allowance of reimbursement for expenses that were not actually and necessarily incurred by the applicant. See 11 U.S.C. §§ 330(a)(1)(B) & 331. The fee application fails to demonstrate that the requested expenses for in-town travel were beyond the scope of the daily, ordinary expenses incurred in going to work or overhead of a firm. Absent explanation, such expenses are not reimbursed in this court.

Dated: August 21, 2019


Timothy A. Barnes
United States Bankruptcy Judge



Invoice submitted to:

Rosebud M.A.

August 6, 2019

PRIVILEGED AND CONFIDENTIAL

Invoice #12467

Terms: Due on receipt

Professional Services

			<u>Hrs/Rate</u>	<u>Amount</u>
	10/3/2018	Review		
	ADM	tract search that may affect saleability and price as part of our duties as financial	0.10	50.00
) Unauthorized		advisors and consultants, and specifically, to pursue sale of the real estate	500.00/hr	
ork	10/15/2018	t/c w/		
	ADM	Lauren Newman and Ryan Nelson re building information needed; market rate for	0.90	450.00
		monthly rate (.4); send lease to Ryan and Lauren; keys for building; have codes;	500.00/hr	
) Unauthorized		appraisal; market value vs. agreeable price? (.4) Ryan needs tour of property;		
ork		survey? cc Ryan and Lauren; Friday visit and follow up notes (.1); all above		
		affect price and saleability of the real estate and other assets; per our duties to		
		pursue the sale of assets		
	11/6/2018	Review		
	JG	Rosebud BK Filing for background and requirements for work of Moglia Advisors	1.00	400.00
		("Moglia") which includes, but not limited to, preference and fraudulent transfer	400.00/hr	
		analyses, sell the real estate, trace cash, analyze real estate lease, sale of		
		equipment and pursue causes of action, as stated and defined in retention motion		
		and order		
	11/7/2018	Review		
	JG	lease and lease amendment; understand funds flow and possible rationale for	1.45	580.00
		adjusting rent charges as part of Moglia's duties to analyze leases	400.00/hr	

Rosebud M.A.

Page 2

		Hrs/Rate	Amount
11/7/2018.	t/c w/		
JG	Lauren Newman Re: status of case, assets to be sold, lease terms and adjustments to perform Moglia's duties as stated and defined in the previous time entry above	1.00 400.00/hr	400.00
	t/c w/		
JG	Norm Brucer, re: receipt of mail, trustee bank account information; other assets that are part of estate, and all previous tasks per Moglia's duties as stated above	0.75 400.00/hr	300.00
11/8/2018	Research		
JG	real estate taxes for cost on lease amendment to determine financial reasonability of rent charges as part of Moglia's duties to analyze leases	0.50 400.00/hr	200.00
	t/c's w/		
JG	(3) Norm Brucer re: Bill of sale on assets to Kingdom, trailer sales, request for fixed asset register; condition of remaining trailers, location and contents of US mail, lease amendment negotiations, all per our duties as financial advisors and consultants	1.40 400.00/hr	560.00
	Prepare		
JG	action item memo and status of various issues re sale and assets to be addressed by Moglia Advisors for real estate management and decisions, real estate sale, asset recoveries, etc; all as part of Moglia's duties per order of court	2.50 400.00/hr	1,000.00
	t/c w/		
JG	Steve Stabiner, Heath Industrial re: value of trailers, potential methods of asset sale; descriptions of assets; maximize net recovery for creditors, all per our duties as financial advisors and consultants	0.50 400.00/hr	200.00
11/9/2018	Conference w/		
JG	trustee and counsel re: status on asset valuation; visit with appraiser, pre-petition sales of assets; search for possible fraudulent transfers as part of Moglia's duties to pursue real estate, equipment and other asset sales	1.25 400.00/hr	500.00
	Review		
JG	bank statements and selected items for document request from bank for preference and fraudulent transfer analyses as part of Moglia's duties	1.50 400.00/hr	600.00
	t/c w/		
JG	Trustee re: lease amendment, conversation with Brucer re: same to determine if the lease terms were reasonable and not detrimental to the creditors as part of Moglia's duties to analyze the leases and pursue any causes of action	0.25 400.00/hr	100.00
	Review		
JG	debtor tax return; trustee to eventually file tax returns; sent email to trustee and counsel re: AIR and inventory as part of Moglia's financial and consulting duties	1.50 400.00/hr	600.00

2) Lumping

Rosebud M.A.

Page 3

		<u>Hrs/Rate</u>	<u>Amount</u>
11/9/2018	t/c w/		
ADM	Lauren Newman and Jim Gallo re asset recovery (such as possible voidable transfers) and disposition of assets as part of Moglia's duties to pursue preferences and fraudulent transfers, trace funds and pursue causes of action	1.00 500.00/hr	500.00
) Trustee Duties			
11/12/2018	Report Prep		
JG	updated action Item list having to do with protection and sale of assets, recovery of any voidable transfers, preparations of information for prospective buyers, etc and distributed to trustee and counsel all as part of Moglia's duties per order of court	1.70 400.00/hr	680.00
JG	t/c w/ Kieran Moran (current tenant) re: Wednesday visit, bills of sale on assets purchased by Moran from Rosebud as part of Moglia's duties on analyzing possible fraudulent transfers	0.30 400.00/hr	120.00
JG	t/c w/ Kieran Moran re: second request for insurance coverage and additional certifications as the trustee is still renting the facility and we need to insure that prospective buyers are covered by insurance, as part of Moglia's duties in helping the trustee to sell the assets	0.20 400.00/hr	80.00
JG	Review correspondence from Lauren Newman, counsel, re: time frame to accept/reject tenant lease, responded to same, to enhance cash flow and address with prospective buyers; validity of purchases of assets, as part of Moglia's duties to analyze real estate lease and provide financial advice to trustee re asset sales	0.70 400.00/hr	280.00
JG	Review correspondence from counsel re: insurance, trustee named as loss payee, additional insurance certificates for safety reasons and to protect buyers who visit site, as part of Moglia's duties as financial advisors and consultants	0.10 400.00/hr	40.00
11/14/2018	Visit		
JG	Rosebud facility. Met appraiser there and walked through all buildings, took pictures of various assets; met with tenant; met with debtor principal; retrieved trailer titles as part of Moglia's duties to help sell the assets	5.00 400.00/hr	2,000.00
.) Travel Rate			
11/15/2018	t/c w/		
JG	Lauren Newman re: 2004 request, visit to facilities, conversations with tenant; lack of insurance certificates as part of Moglia's duties to assist in the sale of assets	0.50 400.00/hr	200.00
JG	t/c w/ Kiernan Moran, lessee, re: insurance certificates for asset preservation and protection, and safety reasons as part of assisting the trustee to sell the assets	0.20 400.00/hr	80.00

Rosebud M.A.

Page 4

		Hrs/Rate	Amount
11/15/2018	Review		
JG	correspondence from appraiser re: value of assets on premises and trailers as part of Moglia's duties to sell the assets	0.20 400.00/hr	80.00
11/16/2018	t/c w/		
JG	insurance agent re: policy in place, deadline for lessor, sq footage of various parts of building as part of due diligence by Moglia to pursue sales of assets	0.30 400.00/hr	120.00
	Review		
JG	correspondence with insurance agent on Rosebud real estate, sq footage, % being leased, replacement cost to rebuild. Researched building sizes and responded to questions as part of our duties to pursue the sale of the assets	0.50 400.00/hr	200.00
!) Lumping			
	Review		
JG	lease, researched square feet of Rosebud building as part of our duties to help sell the real estate	0.20 400.00/hr	80.00
	Sent		
JG	electronic correspondence to insurance agent re: need for coverage of buildings liability insurance and for workers comp of tenant as Trustee does not want possible liability as Moglia assists the trustee as consultant and in the sale of the assets	0.20 400.00/hr	80.00
	Review		
JG	coverages supplied by tenant's insurance agent. Sent correspondence to agent requesting revisions to "additional insured section" to ensure that the Trustee and others are covered to protect the interests of trustee and of prospective buyers visiting the site as part of Moglia's duty to sell the assets	0.20 400.00/hr	80.00
11/19/2018	Review		
JG	correspondence from agent re: additional insured section for contractors. Replied to same as part of providing consulting services to trustee and selling assets for the trustee	0.20 400.00/hr	80.00
	Review		
JG	Motion to employ Moglia Advisors for, among other services, preference and fraudulent conveyance fieldwork, assist on financial, operational and asset sales considerations of Trustee to ensure that Moglia fulfills its duties to the trustee per previous order of court	0.10 400.00/hr	40.00
11/20/2018	Review		
JG	correspondence to debtor counsel re: bills of sales and other evidence of asset sales for purposes of researching proceeds as part of Moglia's investigation of possible fraudulent transfers	0.10 400.00/hr	40.00

Rosebud M.A.

Page 5

		<u>Hrs/Rate</u>	<u>Amount</u>
11/21/2018	Review		
JG	correspondence with counsel re: investigating preferences and potential fraudulent conveyances to seek to recover funds for creditors as part of Moglia's duties	0.10 400.00/hr	40.00
JG	t/c w/ Ryan Nelson re: strategies on move forward with tenant - reject lease, amend lease, etc.; value of the building; availability of refrigerated buildings; and other considerations to maximize the recovery by selling to users or investors as part of Moglia's duties to analyze and amend the real estate lease and sell assets	0.30 400.00/hr	120.00
JG	Meet with Trustee re: status of action items list, insurance, real estate appraisal; lease accept / reject, asset sale discovery methods to maximize net recovery as part of Moglia's duties to provide consulting to trustee; analyze leases and sell assets	0.80 400.00/hr	320.00
JG	Review Broker's appraisal of value of Rosebud property, methods, of appraising, etc to maximize net recovery as part of Moglia's duties to pursue sales of the real estate and equipment	0.50 400.00/hr	200.00
11/26/2018	Review		
JG	lawsuit judgment by Mr Smith. Exchanged correspondence with trustee counsel re: same and of priority claim and analyzing its financial impact on other creditors per our duties as financial advisors and consultants	0.20 400.00/hr	80.00
11/28/2018	Review		
JG	correspondence from trustee counsel on 2004 exam, requests to bank for documents for fraudulent and preference transfer analyses as part of Moglia's duties as stated above	0.40 400.00/hr	160.00
11/29/2018	Review		
JG	correspondence from counsel re: not/cr of lawsuit filed pre-petition for event that occurred pre-petition re analyzing and consulting services to be provided by Moglia per order of court	0.10 400.00/hr	40.00
JG	Review correspondence from real estate broker re: meeting with tenant and listing the property for sale as part of Moglia's duties as stated above	0.10 400.00/hr	40.00
JG	Review correspondence from insurance agent confirming coverage, policy dates, and confirmation premiums have been paid for financial and safety considerations as part of Moglia's financial and consulting duties as stated above	0.10 400.00/hr	40.00
JG	t/c w/ trustee counsel re: status on 2004 exam, real estate marketing, and auctioneer to be hired to sell personal property as part of Moglia's duties as stated above	0.70 400.00/hr	280.00

Rosebud M.A.

Page 6

		<u>Hrs/Rate</u>	<u>Amount</u>
11/29/2018	Review	0.10	40.00
JG	correspondence from counsel re: time line of judgments, appeals, and filings of bankruptcy for expediting administration of case and minimizing financial impact and as part of Moglia's duties as stated above	400.00/hr	
ADM	t/c w/ Jim Gallo and Lauren Newman re real estate sale; lease; prefilling asset sales; records as part of Moglia's duties as stated above	0.70 500.00/hr	350.00
) Trustee Duties			
12/2/2018	Prepare	0.20	80.00
JG	request for proposal for Heath Industrial to auction the assets of Rosebud. Sent request to Steve Stabiner, of Heath Industrial, as part of Moglia's duties to pursue sales of assets	400.00/hr	
12/3/2018	t/c w/	0.10	40.00
JG	Steve Stabiner, auctioneer re: limiting clean up costs and scheduling auction as part of Moglia's duties to pursue asset sales	400.00/hr	
JG	Review correspondence from attorney re: tenant's offer to buy the real estate as part of Moglia's duties to pursue asset sales	0.10 400.00/hr	40.00
JG	Review revision to proposal to auction off assets and send confirmation of acceptance as part of Moglia's duty to pursue asset sales	0.20 400.00/hr	80.00
JG	Review auctioneer proposal as part of Moglia's duties to pursue asset sales	0.20 400.00/hr	80.00
12/5/2018	Review	0.50	200.00
JG	correspondence re: revised offer and counter offer to purchase building by current tenant as part of Moglia's duties to pursue asset sales	400.00/hr	
JG	t/c w/ Moglia re: auction proposal and possible abandonment of unsold assets options; keys for auctioneer, access to store as part of Moglia's duties to pursue asset sales	0.30 400.00/hr	120.00
12/12/2018	Meet	1.00	400.00
JG	at Moglia's office. Conference call with counsel and broker re: strategy on counter offer, timing of sale process, possible 363 sale to sell real estate as part of Moglia's duty to pursue asset sales	400.00/hr	
12/17/2018	Review	0.40	160.00
JG	correspondence from Lauren Newman and Trustee's Response and Objection to Judgment Creditor's Motion for Relief from Automat/c Stay as part of Moglia's consulting services to trustee re financial impact on the estate	400.00/hr	

Rosebud M.A.

Page 7

		<u>Hrs/Rate</u>	<u>Amount</u>
12/18/2018 Review			
JG	numerous electronic correspondence re: Longo motions and claim and financial effect on estate and creditors given the lengthening and costs of case administration as part of our financial and consulting services to the trustee	0.30 400.00/hr	120.00
12/20/2018 Review			
JG	correspondence with trustee counsel re: deposits in non-operating account; also re: motion for hiring auctioneer as part of our duties of financial advisory and consulting and pursuing asset sales	0.20 400.00/hr	80.00
	Review	1.00	400.00
JG	bank statements on Rosebud non-operating account as start of preference analysis work as part of our duties to do a preference analysis	400.00/hr	
12/21/2018 t/c w/			
ADM	Lauren Newman re possible market value will be set by market; possible rejection of lease; will provide Mr. Longo with real estate update as part of our duties re the real estate lease and pursuing sale of real estate	0.40 500.00/hr	200.00
) Trustee Duties			
12/23/2018 Review			
JG	real estate broker's revised appraisal of the value, challenges, benefits of property; also review of numerous emails between trustee, counsel, and broker re marketing the property as part of our duties to pursue the sale of the real estate	1.00 400.00/hr	400.00
) Lumping			
12/24/2018 Review			
ADM	numerous emails re sale of real estate, assets and preference analysis for purposes of maximizing net proceeds as part of our duties to the trustee	1.30 500.00/hr	650.00
) Trustee Duties			
1/2/2019 Review			
JG	marketing brochure from broker and reviewed correspondence re: new offer from Kingdom Farms, and proof of funds as part of our duties to pursue the sale of the real estate	0.20 400.00/hr	80.00
JG	Review wire transfer backup for wires related to Debtor paying legal fees as part of our analysis of possible fraudulent transfers	0.10 400.00/hr	40.00
JG	Correspondence exchange with Trustee correspondence re: dates of bills of sale vs dates of deposits on asset sales for possible fraudulent transfers as part of our duties to the trustee	0.10 400.00/hr	40.00
JG	Review sales documents, bills of sale, etc for company vehicles, and trailers for possible fraudulent transfers as part of our duties in analyzing possible fraudulent transfers to the trustee	0.30 400.00/hr	120.00

Rosebud M.A.

Page 8

Hrs/Rate Amount

1/3/2019	Review	0.10	40.00
JG	correspondence between appraiser and counsel re: value of assets that may be included in Martinez real estate offer as part of our duties to pursue the sales of the real estate and other assets	400.00/hr	
	t/c w/	4.50	1,800.00
JG	Trustee re: records retrieved, preference testing schedule per our duties to the trustee	400.00/hr	
	Visit	1.50	600.00
JG	office, reviewed files for cash disbursements and receipts records, asset valuations for possible fraudulent transfers as part of our duties to the trustee	400.00/hr	
	Review	0.20	80.00
JG	new real estate offer. Call with trustee re: offer including other assets and possible conflict with planned auction per our duties to pursue the sale of the real estate	400.00/hr	
	Visit	4.50	1,800.00
JG	Rosebud. Met with Norm Brucer and reviewed bank reporting, pre-petition and post petition AIR collections and cash disbursements for possible fraudulent transfers as part of our duties to the trustee	400.00/hr	
4) Travel Rate			
	Review	1.00	400.00
JG	fixed asset listing and asset sale schedules provided by Rich Zondor, debtor's outside accounting firm, for informing prospective asset buyers as part of our duties to pursue sales of assets	400.00/hr	
1/4/2019	Review	0.20	80.00
JG	correspondence and new offer from Kingdom for real estate. Sent correspondence to trustee and counsel re: ability to allow buyers to bid after not/cr has been provided as part of our duties to pursue the sale of the real estate	400.00/hr	
1/6/2019	Meet	3.00	1,200.00
JG	with Norm Brucer at Rosebud to collect cash receipts and cash disbursement records for preference testing as part of our duties to the trustee	400.00/hr	
) Travel Rate			
1/7/2019	Review	0.50	200.00
JG	motion of unsecured creditor to dismiss bankruptcy as part of our financial advisory and consulting to the trustee	400.00/hr	
	Prepare	0.20	80.00
JG	correspondence re: merit of Longo motions and reviewed counsel's correspondence re: same re financial impact per our duties as financial advisors and consultants to the trustee	400.00/hr	
	t/c w/	0.30	120.00
JG	Trustee Counsel re: Longo filings and their possible financial effects on estate and creditors per our duties as financial advisors and consultants to the trustee	400.00/hr	

Rosebud M.A.

Page 9

		<u>Hrs/Rate</u>	<u>Amount</u>
1/7/2019	tlconf. w/	0.30	120.00
JG	Trustee and Counsel re: Longo filings and Trustee response re impact on finances of estate per our duties as financial advisors and consultants to the trustee	400.00/hr	
JG	Review reply to response to judgment creditor's motion for relief from automat/c stay and possible financial impact on estate as part of our financial and consulting services to the trustee	0.50 400.00/hr	200.00
JG	Review Debtor's Statement of Assets and Liabilities to identify saleable assets per our duty to pursue asset sales	0.10 400.00/hr	40.00
JG	tlcw/ Trustee re: records in storage and the need for certain reports of cash disbursements and receipts for possible voidable transfers per our duties to the trustee	0.30 400.00/hr	120.00
1/8/2019	tlconf. w/	0.30	120.00
JG	trustee, counsel, and counsel for party making offer on real estate per our duties to pursue sale of the real estate	400.00/hr	
JG	t/c w/ trustee and counsel re: assets for sale that may go with building, response to Longo motions of sale per our duties to pursue sale of the real estate	0.70 400.00/hr	280.00
JG	Prepare memo to Trustee and counsel re: review of Longo motions and potential financial effects on other creditors per our duties as financial advisors and consultants to the trustee	1.00 400.00/hr	400.00
1/9/2019	t/c w/	0.40	160.00
JG	trustee re: conversation with Brucer re: old lease vs new lease; also re: memo on Longo points to assist trustee and legal counsel for response per our duties as financial advisors and consultants to the trustee	400.00/hr	
JG	Prepare amended memo on Longo points to reflect new information on lease and financial impact to assist trustee and legal counsel for response per our financial and consulting services for the trustee	0.20 400.00/hr	80.00
JG	t/c w/ Jerry Brucer re: differences in lease, annual utility costs, insurance cost, and history of repairs for informing real estate broker and prospective buyers for our duties to pursue the sale of the real estate	0.30 400.00/hr	120.00

Rosebud M.A.

Page 10

		<u>Hrs/Rate</u>	<u>Amount</u>
1/9/2019	Prepare		
JG	amended memo on Longo points to reflect new information on lease and financial impact to assist trustee and legal counsel for response per our duties as financial advisors and consultants to the trustee	0.30 400.00/hr	120.00
JG	Review correspondence from trustee counsel re: her conversation with debtor attorney about administration of case and appearance in court on 1/23 to provide sale of assets information to the trustee, the Court and any other parties present	0.10 400.00/hr	40.00
1/11/2019	tic w/ Steve Stabiner, Heath, re: all non real estate assets, valuations, etc per our duty to pursue sales of assets	0.30 400.00/hr	120.00
JG	Review correspondence between real estate broker, trustee, counsel, etc re: combining equipment with real estate and possibly breaking them up into separate bids / transactions as part of our duties to pursue real estate and other assets sales	0.30 400.00/hr	120.00
JG	tic w/ Trustee re: response to Longo's objections to sale and effect on creditors' interests by possible delay of sale and case administration as part of our financial and consulting advisory to trustee	0.10 400.00/hr	40.00
JG	Review response letter to Longo and sent comments to trustee and counsel on financial impact as part of our financial and consulting advisory to trustee	0.90 400.00/hr	360.00
1/12/2019	Review correspondence from counsel re: my comments on Longo letter and responded re: same as to financial impact on other claimants as part of our financial and consulting services to trustee	0.20 400.00/hr	80.00
1/13/2019	Review Trustee's proposed amendments to response to Longo letter on motion to dismiss as part of our financial and consulting services to trustee	0.20 400.00/hr	80.00
1/15/2019	Review revised letter to Longo re: response to motion to dismiss and possible financial impact. Sent correspondence to Trustee re: same as part of our financial and consulting services to the trustee	0.40 400.00/hr	160.00
1/16/2019	Review Longo amended motion to dismiss bankruptcy. Sent correspondence to trustee and counsel re: Longo's assertions of late creditor invoices and other unsecured creditors as part of our financial and consulting services to the trustee	0.40 400.00/hr	160.00

Rosebud M.A.

Page 11

		Hrs/Rate	Amount
1/17/2019	Review	0.30	120.00
JG	emails between trustee, broker and attorney re: revised offer of second buyer, deciding who would be stalking horse, increments for future bidding, terms under which next bids must abide per our duty to pursue sales of assets	400.00/hr	
1/18/2019	t/c w/	0.20	80.00
JG	Jerry Brucer re: tax returns for 2018 and Longo motion to dismiss as part of our financial and consulting services to the trustee	400.00/hr	
JG	Sent correspondence to trustee and counsel re: possible motion to hire professional to file tax return as part of our financial and consulting services to the trustee	0.10 400.00/hr	40.00
1/23/2019	Attend	2.50	1,000.00
JG	Court appearance on motion to dismiss as part of our financial and consulting services to the trustee in case financial impact and asset sale questions arose	400.00/hr	
1) Travel Rate			
1/25/2019	Sent	0.10	40.00
JG	correspondence to trustee re: need for tax return preparation (or not) as part of our financial and consulting services to trustee	400.00/hr	
JG	Sent request for quote for tax return to Rosebud former accounting firm to determine cost and timing of preparation as part of our financial and consulting services to trustee	0.10 400.00/hr	40.00
JG	t/c w/ Jerry Brucer re: 2018 tax return; told him that owners are free to pay for 2018 tax returns, as part of our financial and consulting services to trustee	0.10 400.00/hr	40.00
JG	Review Zondor quote for 2018 tax return. Exchanged correspondence re: extent of activity in 2018, records with trustee, and lack of complexity in preparation of return by debtor's CPA, as part of our financial and consulting services to trustee	0.30 400.00/hr	120.00
1/26/2019	Review	0.50	200.00
JG	correspondence between broker, counsel and trustee re: selection of stalking horse bidder and pros/cons of same. Sent correspondence to all re: possibly selecting 2nd bidder as stalking horse per our duty to pursue sale of real estate	400.00/hr	
JG	Review correspondence from counsel re: my recommendation on stalking horse given financial considerations per our duty to pursue sale of real estate	0.10 400.00/hr	40.00
2/2/2019	Review	1.00	400.00
JG	latest Longo motion and counsel's response to the motion. Also reviewed Trustee comments re: same. Sent proposed amendments to trustee and counsel	400.00/hr	

Rosebud M.A.

Page 12

and sent additional questions re: same; all above re financial implications per our duty to provide financial and consulting services to trustee

Hrs/Rate Amount

2/5/2019 t/conf. w/
JG broker, trustee, trustee counsel re: selection of stalking horse bidder, treatment of personal property, auction process, break up fee, and bid increments per our pursuit of sale of the real estate 1.00 400.00/hr 400.00

JG Prepare correspondence to all re: confirmation of decisions from conference call re selection of stalking horse and back up bidder per our pursuit of sale of the real estate 0.20 400.00/hr 80.00

2/6/2019 Correspondence
JG exchange with Rich Zondor, CPA re: 2018 tax returns and that the trustee will not sign Zondor's engagement letter, per our financial advisory and consulting to the trustee 0.20 400.00/hr 80.00

2/10/2019 Review
ADM Gallo's summary of our discussion with counsel re selection of stalking horse per our duties to pursue the sale of the real estate 0.20 500.00/hr 100.00

3) Trustee Duties

2/11/2019 Review
JG lease termination agreement and latest draft of contract. Prepared correspondence to trustee and counsel re: comments, per our duties re the real estate lease 0.50 400.00/hr 200.00

2/12/2019 Review
JG new offer for real estate (over the stalking horse) and sent correspondence to counsel re: process where bidder can out-bid stalking horse per our duty to pursue sale of real estate 0.20 400.00/hr 80.00

JG Review correspondence from counsel re: Longo. Reviewed Longo fee application (in district court case) as basis for his proof of claim and Judge Dow's objection to Longo's fee rate and hours, for purposes of trustee's claims review, per our financial and consulting services performed for the trustee 0.50 400.00/hr 200.00

2/13/2019 Review
JG Trustee's counsel's response to Motion to Dismiss and sent correspondence re: same as to financial impact and reasonability of economic considerations per our duties to provide financial and consulting services to the trustee 0.30 400.00/hr 120.00

2/14/2019 Review
JG stalking horse request to increase break up fee; prepared correspondence to counsel and trustee re: disallowing increase in break up fee; per our duty to pursue the sale of the real estate 0.30 400.00/hr 120.00

Rosebud M.A.

Page 13

		<u>Hrs/Rate</u>	<u>Amount</u>
2/14/2019	Review		
JG	trustee's correspondence to stalking horse counsel re: not increasing break up fee and timing of survey per our duty to pursue the sale of the real estate	0.10 400.00/hr	40.00
2/15/2019	Review		
JG	stalking horse contract changes. Prepared correspondence to counsel re: not terminating lease until after closing; holding break up fee, confirming tenant has paid all taxes per our duty to pursue the sale of the real estate	0.40 400.00/hr	160.00
2/19/2019	Review		
JG	lease termination agreement. Sent correspondence to counsel re: not executing agreement until after confirmation of all taxes paid, and real estate sale has closed per our duty to pursue the sale of the real estate	0.40 400.00/hr	160.00
	Review		
JG	correspondence with bidder counsel re: changes to real estate contract and termination agreement per our duty to pursue the sale of the real estate	0.10 400.00/hr	40.00
	Review		
JG	correspondence from counsel re: requested reimbursements by bidder for various clauses in real estate contract. Sent correspondence to counsel and trustee re: possibly denying reimbursement for tenant improvements because of offset in lease reduction per our duty to pursue the sale of the real estate	0.30 400.00/hr	120.00
2/20/2019	Review		
JG	correspondence from counsel re: agreements/disagreements on real estate contract changes with stalking horse bidder per our duty to pursue sale of the real estate	0.10 400.00/hr	40.00
	Correspondence		
JG	exchange with Jim Inendino re: changes to real estate contract and timing of termination of lease agreement per our duty to pursue sale of the real estate	0.20 400.00/hr	80.00
	Review		
JG	Longo's Reply and Motion to Stay. Prepared correspondence to trustee counsel re: same about financial implications per our financial and consulting services to the trustee	0.50 400.00/hr	200.00
	Review		
JG	trustee counsel's comments on Creditor's Reply to Trustee Response. Exchanged correspondence with counsel and trustee re: same per our financial and consulting services to the trustee	1.00 400.00/hr	400.00
	Correspondence		
JG	exchange with Newman re; hiring accounting firm to file 2018 taxes per our financial and consulting duties to the trustee	0.10 400.00/hr	40.00

Rosebud M.A.

Page 14

		<u>Hrs/Rate</u>	<u>Amount</u>
2/21/2019	t/c w/		
JG	Lauren Newman re: stalking horse bidder's request to close within 15 days of auction; also re: need for expedited sale of assets; not terminating lease until after real estate close; and Longo's threat of appeal as a cause of further unnecessary delays and costs per our duty to pursue sale of assets	0.70 400.00/hr	280.00
2/22/2019	Email		
JG	exchange with Steve Stabiner and trustee counsel re: personal property, asset listings and valuations per our duty to pursue sale of assets	0.30 400.00/hr	120.00
	Correspondence		
JG	exchange with Rich Zonder, CPA, re: 2018 tax returns as most information Zondor can get from debtor, per our financial and consulting advisory to trustee	0.10 400.00/hr	40.00
2/24/2019	Correspondence		
JG	exchange w/trustee and counsel and reviewed correspondence from debtor and accounting firm re: need for 2018 returns and responsibility to do them per our financial and consulting advisory to trustee	0.20 400.00/hr	80.00
2/26/2019	Review		
JG	correspondence re: 2/27 court appearance and next steps on asset sales and existence of possible fraudulent transfers per our financial and consulting advisory to the trustee	0.20 400.00/hr	80.00
3/14/2019	Email		
ADM	exchange re phase II analysis of environmental conditions (for effect on buyers) and modification of breakup fee, per our duty to pursue sale of real estate	0.30 500.00/hr	150.00
3) Trustee Duties			
3/15/2019	Review		
JG	correspondence re: environmental issues at real estate and increase of break up fee to cover cost of Phase II as possible financial deterrent to buyers, per our duty to pursue sale of real estate	0.20 400.00/hr	80.00
3/23/2019	Prepare		
ADM	draft fee application for financial and operational services per our financial and consulting services to trustee	1.80 500.00/hr	900.00
4) Trustee Duties			
4/5/2019	Email		
JG	exchange with counsel re: last minute appeal filed by secured creditor's counsel on staying of sale and effects on sale process per our duty to pursue sale of the real estate	0.20 400.00/hr	80.00
4/15/2019	Review		
JG	ad for publishing on auction/sale of property; responded to trustee and counsel re: need for price and escrow, all per our duty to pursue sale of the real estate	0.20 400.00/hr	80.00

Rosebud M.A.

Page 15

		<u>Hrs/Rate</u>	<u>Amount</u>
4/16/2019	Review	0.50	200.00
JG	Longo filing to stay bankruptcy case. Sent comments to trustee and counsel on effects on sale process, per our duty to pursue sale of the real estate	400.00/hr	
4/29/2019	Review	0.10	40.00
JG	counsel's emails re: phase II environmental considerations and possible effects on sale process and price, per our duty to pursue sale of the real estate	400.00/hr	
JG	Review environmental report. Sent correspondence to trustee re: same as to saleability of property and possible effects on sale process and price, per our duty to pursue sale of the realestate	0.50 400.00/hr	200.00

For professional services rendered

78.80 \$32,190.00

Additional Charges:

Unnecessary
penses

11/14/2018	\$Mileage	58.32
JG		

1/6/2019	\$Mileage	62.06
JG		

1/23/2019	\$Parking	40.00
JG		

JG	\$Mileage	27.84
----	-----------	-------

Total additional charges

\$188.22

Total amount of this bill

\$32,378.22

Balance due

\$32,378.22